

## ***FEBRUARY 2000 TAX FACTS***

### **SUMMARY OF GENERAL FUND REVENUES**

	<u>February 2000</u>	Fiscal Year <u>Total</u>
<b>Individual Income Tax</b>		
Net Collections	\$84,767,690	\$1,340,727,743
Percent Change	51.1%	7.2%
<b>Corporate Income Tax</b>		
Net Collections	\$1,481,030	\$264,837,356
Percent Change	N/A	3.7%
<b>Transaction Privilege, Severance &amp; Use Taxes</b>		
Net Collections	\$216,519,630	\$1,850,328,628
Change	9.6%	10.2%
<b>Total Big Three Tax Types</b>		
Net Collections	\$302,768,350	\$3,455,893,727
Percent Change	19.6%	8.4%



# TAX FACTS

February 2000

## INDIVIDUAL INCOME TAX

### Individual Income Tax Receipts

	February 2000	February 1999	% Change
Gross Collections	\$9,175,796	\$7,127,932	28.7
Withholding	213,303,374	168,876,107	26.3
Refunds	(106,235,564)	(91,546,432)	16.0
Urban Revenue Sharing	(31,475,916)	(28,359,221)	11.0
<b>Net Collections</b>	<b>\$84,767,690</b>	<b>\$56,098,385</b>	<b>51.1</b>

  

	Fiscal Year Total (99/00)	Fiscal Year Total (98/99)	% Change
Gross Collections	\$297,080,859	\$283,920,642	4.6
Withholding	1,494,745,719	1,360,267,894	9.9
Refunds	(199,291,509)	(166,791,086)	19.5
Urban Revenue Sharing	(251,807,326)	(226,873,771)	11.0
<b>Net Collections</b>	<b>\$1,340,727,743</b>	<b>\$1,250,523,680</b>	<b>7.2</b>

### Federal Retiree Program

The Federal Retiree Project is drawing to a close. Refunds sent out directly as a result of the Federal Retiree Program is \$361 for February and \$12,078 for the fiscal year. The total revised estimated cost of the FRP project is \$162.1 million. The estimate for the final credit payout for the remaining credit holders is \$0.151 million.

### Federal Employees Retirement Contribution Program

The Federal Employees Retirement Contribution Project is also nearing completion. During the month of February, no refunds were issued as a result of the FERC project, therefore the fiscal year total remains at \$23,108. In addition to this amount, \$0 of available credits were used to cover outstanding agency debts. The law firm of Bonn, Lusher, Padden & Wilkins has obtained a temporary restraining order requiring the department to withhold 20% of each claimants refund based on the law firm's claim that they should be entitled to fees from each claimant that benefited from their work. This amount is equal to \$0 for the month of February and remains at \$5,949 for the fiscal year.

### Individual Income Tax Document Count

In calendar year 1999, the following individual income tax returns were filed:

	140X	140	140NR	140PY	140NP R	141	140A	140PT C	140EZ	TOTAL
#	39,865	1,323,254	69,417	104,001	92	39,500	336,335	17,266	162,772	2,092,502
%	1.9	63.3	3.3	5.0	0.0	1.9	16.1	8.9	7.8	

In calendar year 2000 the number of returns filed, and processed, are as follows:

	140X	140	140NR	140PY	140NP R	141	140A	140PT C	140EZ	TOTAL
#	4,113	335,566	8,087	17,127	7	4,303	164,895	8,170	72,916	615,184
%	0.7	54.5	1.3	2.8	0.0	0.7	26.8	1.3	11.9	

The 615,184 returns filed through March 25, 2000 compares to 752,708 returns filed during the same period of time in 1999 for an annual decrease of 18.3%. This count represents multiple tax years. For tax year 1999 filed in 2000, 600,311 returns have been filed, this represents an 18.1% decrease from 1998 returns filed in 1999 during the same period of time.

### **Year-Over-Year Comparison of Resident Taxpayers**

Comparisons of Federal Adjusted Gross Income (FAGI) and tax liability growth between two tax years can be made from taxpayers who have filed for both calendar years to be compared and who have indicated the same marital status on the tax returns for both years. The Department of Revenue has received 160,915 returns in calendar year 2000 for tax year 1999 from filers who also have returns on record from calendar year 1998 with the same marital status. On average, these filers experienced a 5.6% growth in FAGI and a 5.8% increase in tax liability. More specifically, 31.6% of these filers experienced a decrease in tax liability; on average a decrease of 11.4% with a corresponding average decrease in FAGI of 24.9%. Filers showing an increase in tax liability totaled 83,174, or 51.7%, with an average FAGI increase of 17.8% and an average tax liability increase of 40.0%.

### **Average Individual Income Tax Refund**

	Average	Number
2000 CYTD	\$463.74	283,218
1999 CYTD	\$426.50	335,506
% Change	8.8%	(15.6%)

### **"New" Filers in Calendar Year 1999**

Table 1 attached to this report, presents the number of "new" returns filed in calendar year 2000. "New" returns are for those filers who did not file in the previous calendar year. Therefore, these filers could be new full-year residents of Arizona, or they may be newly required to file an individual income tax return. (The filer may not have earned enough income in the previous year to file, such as a recent graduate just entering the work force.) The table indicates that 37,310 "new" returns have been filed thus far in 2000, representing approximately 45,051 persons, not including dependents. The average Federal Adjusted Gross Income for these 37,310 returns is \$15,332, with an average tax liability of \$149. The right half of this table presents characteristics of the filers represented on the returns. Of all "new" returns, 20.4% had a married filing joint filing status, 4.3% claimed a 65 And Over Exemption and 61.2% claimed dependents.

### **Individual Income Tax Estimated Payments**

Beginning in 1990, individuals are required to make estimated payments to Arizona if their Arizona gross income will exceed \$75,000, in an amount which will represent unpaid tax liability at the end of the taxpayer's tax year. The total estimated payments on the 140ES for tax year 1999 was \$324.0 million, for an average of \$1,672. A total additional \$56.2 million in estimated payments was received as refunds on the 1998 tax returns applied to 1999 estimates, for an average of \$1,706. Estimated payments received during February for tax year 2000 is as follows:

2/00	140ES payment	\$165,382	Cumulative	\$418,856
2/99	140ES payment	\$63,419	Cumulative	\$335,135
	Percent change	160.8%		25.0%
2/00	Average payment	\$1,464	Cumulative	\$1,000
2/99	Average payment	\$628	Cumulative	\$1,727
	Percent change	133.1%		(42.1%)
2/00	Applied refund	\$98,634	Cumulative	\$101,737
2/99	Applied refund	\$102,286	Cumulative	\$102,286
	Percent change	(3.6%)		(0.5%)
Total 2/00		\$264,016	Cumulative	\$520,593
Total 2/99		\$165,705	Cumulative	\$437,420
	Percent change	59.3%		19.0%

### **Withholding**

Withholding payments are received from employers and applied towards a specific quarter for the designated year. Information is gathered for 15 months for any given quarter. For example, from July 1998 through September 1999, \$447,451,017 was received for the third quarter of 1998. The latest complete quarter (15 months of information has been compiled) is the fourth quarter of 1998, which shows a growth rate of 10.9% in withholding payments over the fourth quarter of 1997. Growth in quarters for which information is still being gathered is as follows:

1 <sup>st</sup> Quarter 1999	6.7%	4 <sup>th</sup> Quarter 1999	10.0%
2 <sup>nd</sup> Quarter 1999	9.7%	1 <sup>st</sup> Quarter 2000	10.8%
3 <sup>rd</sup> Quarter 1999	9.0%		

The comparisons made above were against the same number of months of collections in the previous year. In other words, the fourteenth month of information available for the first quarter of 1999 was compared against the fourteenth month of collections for the first quarter of 1998. Current choices for withholding are 0%, 10%, 17%, 20%, 22%, 28% or 32% as the percent of federal taxes to be withheld for state taxes. The 0% option is only available to those individuals who had no liability in the prior tax year and expect no tax liability for the current year.

### **Property Tax Credits**

Arizona allows a refundable property tax credit if you are age 65 or older or if you received Title 16, SSI payments. Additionally, your household income must be below \$3,751 if you live alone, or \$5,501 if you live with another person, to qualify for this credit. The maximum credit is \$502.

	Number	Amount	Average
Calendar Year 2000	4,491	\$1,497,113	\$333.36
Calendar Year 1999	6,052	\$1,986,121	\$328.18
% Change	(25.8%)	(24.6%)	1.6%

### **Contributions on the Individual Income Tax Return**

Through February 2000 individual income tax return filers have made the following contributions:

	Number	Amount	Average
Wildlife	1,456	\$19,308	\$13.26
Child Abuse	1,786	\$23,529	\$13.17
Special Olympics	801	\$9,593	\$11.98
Neighbors Helping	464	\$4,290	\$9.25
AID to Education	39	\$2,629	\$67.41
Domestic Violence Shelter	1,219	\$16,805	\$13.79
Clean Election	470	\$14,408	\$30.66
Democratic Party	84	\$1,503	\$17.89
Republican Party	67	\$964	\$14.39
Libertarian Party	17	\$321	\$18.88
Reform Party	2	\$10	\$5.00

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## **CORPORATE INCOME TAX**

### **Corporate Income Tax Receipts**

	February 2000	February 1999	% Change
Gross Collections	\$12,547,382	\$11,264,835	11.4
Refunds	(\$11,066,352)	(\$11,279,912)	(1.9)
Net Collections	\$1,481,030	(\$15,077)	N/A



	<b>Fiscal Year Total (99/00)</b>	<b>Fiscal Year Total (98/99)</b>	<b>% Change</b>
Gross Collections	\$341,886,922	\$328,704,447	4.0
Refunds	(\$77,049,566)	(\$73,262,884)	5.2
<b>Net Collections</b>	<b>\$264,837,356</b>	<b>\$255,441,564</b>	<b>3.7</b>

### **Corporate Estimated Payments**

Corporations are required to file estimated tax payments throughout the year only if (1) their Arizona tax liability exceeds \$1,000 and (2) they are required to file federal estimated tax payments.

February 2000	\$9,142,167	Calendar Year Total	\$28,895,873
February 1999	\$3,702,874	Calendar Year Total	\$18,866,205
% Change	146.9%	% Change	53.2%

All corporations with an income tax liability of \$20,000 or greater are required to make their estimated tax payments through electronic funds transfer (eft). The table below shows the number of these eft estimated payments, by size of payment, for February 2000 and for the fiscal year.

Size of Payment ➔	Less than \$50,000	\$50,000 up to \$100,000	\$100,000 up to \$500,000	\$500,000 up to \$1,000,000	\$1,000,000 up to \$10,000,000	\$10,000,000 and more	Total	% chg
Feb 2000	86	10	11	3	1	0	111	18.1
Feb 1999	77	10	5	2	0	0	94	
CY 2000	247	30	28	8	3	0	316	10.9
CY 1999	229	28	20	7	1	0	285	

### **Corporate Refunds**

Corporate refunds paid in any state fiscal year are for a mixture of corporate fiscal years. The table below presents the percent of refunds paid in FY 98/99 by corporate fiscal year. For example, in FY 98/99, 3.8% of the refund dollars paid were for corporate fiscal years ending in 1994 or before. The percentages are for refunds paid through the fiscal year.

<b>Corporate Fiscal Year-End:</b>	<b>94 &amp; Prior</b>	<b>95</b>	<b>96</b>	<b>97</b>	<b>98</b>	<b>99</b>
FY 98/99	3.8%	2.1%	3.9%	66.5%	23.1%	0.6%

<b>Corporate Fiscal Year-End:</b>	<b>95 &amp; Prior</b>	<b>96</b>	<b>97</b>	<b>98</b>	<b>99</b>	<b>00</b>
FY 99/00	5.7%	0.9%	1.5%	81.2%	10.6%	0.0%

The corporate refunds shown above are those refunds for which a check is mailed to the corporation. Sometimes corporations choose to apply their refund as an estimated payment. The following table present information on refunds applied as estimated payments in the most recent month and for the calendar year.

February 2000	(\$1,611,922)	Calendar Year Total	\$3,647,643
February 1999	\$5,899,150	Calendar Year Total	\$6,290,691
% Change	N/A	% Change	(42.0%)

### **Corporate Income Tax Document Count**

The Arizona Department of Revenue received 95,415 corporate returns showing a fiscal year-end of 1998. The type of return received is indicated below:

	<b>120X (amended)</b>	<b>120 (regular)</b>	<b>120S (S corp)</b>	<b>99T (exempt org.)</b>
#	384	52,087	42,587	357
%	0.4	54.6	44.6	0.4



Through February 2000, 15,769 documents have been received for a fiscal year-end of 1999, distributed as follows:

	<u>120 X (amended)</u>	<u>120 (regular)</u>	<u>120S (S corp)</u>	<u>99T (exempt org.)</u>
#	50	13,740	1,897	82
%	0.3	87.1	12.0	0.5

The figures shown above for the 1999 returns are most meaningful when compared to 1998 returns received during the same period of time in the previous year. Through February 1999, the Arizona Department of Revenue received 15,362 documents with a fiscal year-end of 1998. This represents a 2.6% increase in corporate returns received at this point of time in the calendar year.

### **Urban Revenue Sharing Returned to Cities/Towns**

Incorporated cities and towns receive a share of net individual and corporate income tax collections, called Urban Revenue Sharing. The amount of money to be distributed is 15.8% of net income tax collections two years earlier. For example, the money being distributed in Fiscal Year 1999/2000 is based on net income tax collections in Fiscal Year 1997/1998. Amounts returned for February 2000 are shown on Table 2, at the end of this report.

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## **TRANSACTION PRIVILEGE, SEVERANCE AND USE TAXES**

### **Transaction Privilege, Severance and Use Tax Receipts**

The Arizona transaction privilege and severance tax consists of many categories of tax. These categories include retail, contracting, amusements, restaurants and bars, hotel/motel and mining severance tax. The collections for all such categories are divided, per statute, into two parts. One part is called distribution base; the other part is known as non shared. The division of collections into these two parts varies from category to category. For example, retail sales tax is 40% distribution base and 60% non shared. In contrast, contracting is 20% distribution base and 80% non shared. Due to new legislation, mining severance is now 100% distribution base. Use tax is 100% non shared.

At the close of each month, the computer aggregates transaction privilege and severance tax collections by category and calculates total distribution base and non shared portions. The amount shown as "Use Tax" in the table below includes use tax, use inventory tax and jet fuel use tax. The "Other Revenue" category includes county excise, road, jail and hospital taxes and various other excise taxes, such as the 911 excise tax.

	<b>February 2000</b>	<b>February 1999</b>	<b>% change</b>
Distribution Base	\$92,366,582	\$84,277,978	9.6
Non shared	171,531,027	157,274,200	9.1
Use Tax	13,412,011	10,823,329	23.9
Other Revenues	34,199,985	31,037,037	10.2
<b>Total Collections</b>	<b>\$311,509,605</b>	<b>\$283,412,544</b>	<b>9.9</b>

  

	<b>Fiscal Year Total (99/00)</b>	<b>Fiscal Year Total (98/99)</b>	<b>% change</b>
Distribution Base	\$781,091,160	\$708,854,216	10.2
Non shared	1,467,957,225	1,339,808,152	9.6
Use Tax	113,734,826	97,166,762	17.1
Other Revenues	287,303,507	216,480,992	32.7
<b>Total Collections</b>	<b>\$2,650,086,717</b>	<b>\$2,362,310,122</b>	<b>12.2</b>

### **Distribution of Transaction Privilege, Severance and Use Tax Receipts**

Of the distribution base portion of transaction privilege and severance taxes, described above, 25% is returned to incorporated cities/towns, 40.51% is returned to counties and 34.49% goes to the state general fund with the exception of mining severance tax. All of the non shared revenue and use tax is deposited into the general fund. Therefore, the "Retained By State" figure presented below includes all non shared portion of transaction privilege tax, use tax and 34.49% of the distribution base collections. "Other" revenues are returned to the administering authority.

	<b>February 2000</b>	<b>February 1999</b>	<b>% change</b>
Retained by State	\$216,519,630	\$197,165,003	9.8
Returned to Counties	37,591,262	34,141,009	10.1
Returned to Cities	23,198,727	21,069,495	10.1
Other	34,199,985	31,037,037	10.2
<b>Total Collections</b>	<b>\$311,509,605</b>	<b>\$283,412,544</b>	<b>9.9</b>

  

	<b>Fiscal Year Total (99/00)</b>	<b>Fiscal Year Total (98/99)</b>	<b>% change</b>
Retained by State	\$1,850,328,628	\$1,681,458,733	10.0
Returned to Counties	316,891,134	287,156,843	10.4
Returned to Cities	195,563,448	177,213,554	10.4
Other	287,303,507	216,480,992	32.7
<b>Total Collections</b>	<b>\$2,650,086,717</b>	<b>\$2,362,310,122</b>	<b>12.2</b>

### **Transaction Privilege and Severance Tax Collections By Class**

	<b>Tax Rate</b>	<b>February 2000</b>	<b>% Chg</b>	<b>Fiscal Year Total</b>	<b>% Chg</b>
Transporting/Towing	5%	(\$118,647)	N/A	\$1,389,520	(46.1)
Non-Metal Mining/Oil & Gas	3.125%	441,936	(17.6)	4,491,726	1.7
Utilities	5%	20,852,466	3.2	186,335,383	3.2
Communications	5%	10,968,924	19.6	79,865,836	15.1
Railroads/Aircraft	5%	194,555	33.0	1,077,580	(20.6)
Private Car/Pipelines	5%	16,464	(76.3)	104,076	(82.2)
Publishing	5%	417,591	(4.9)	3,698,401	(5.2)
Printing	5%	1,622,215	(3.1)	13,836,435	1.2
Restaurants/Bars	5%	24,395,391	6.9	188,913,727	9.6
Amusements	5%	3,285,673	5.2	23,643,675	13.0
Commercial Lease	0%	368,991	N/A	10,918,344	N/A
Rental of Personal Property	5%	13,635,900	12.4	110,901,282	7.0
Contracting	3.75% - 5%	38,743,202	8.6	361,257,096	9.6
Feed Wholesale	Repealed	(11)	(68.2)	(2)	N/A
Retail	5%	138,792,247	11.1	1,193,988,791	10.8
Advertising	0	0	0.0	0	0.0
Mining Severance*	2.5%	816,044	(33.8)	9,677,479	(23.5)
Timber Severance	\$2.13/\$1.51 per 1000 board ft	156	(89.4)	6,943	(78.5)
Hotel/Motel	5.5%	8,649,191	4.0	56,054,102	7.7
Membership Camping	5%	14,015	(37.6)	50,045	(15.6)
Use/Use Inventory	5%	13,410,600	23.9	113,395,496	16.6
Rental Occupancy Tax	3%	9,628	(12.7)	56,874	(19.5)
Jet Fuel Tax	\$.0305/\$.0105 gal	788,258	20.8	3,111,119	9.6
Telecommunications Devices:	1.1				
Telecom. Fund for the	----	412,711	N/A	3,259,764	7.3
Poison Control Fund	----	152,647	(7.8)	1,205,666	(5.2)
911 Excise	1.25%	651,970	(6.3)	5,129,254	(4.4)
911 Wireless Service	\$0.10 monthly per activated	136,271	(12.4)	892,549	14.2
<b>Total</b>		<b>\$278,658,385</b>	<b>10.0</b>	<b>\$2,373,261,161</b>	<b>10.1</b>

\*Beginning with December 1999 the mining severance tax base has changed.

The Use/Use Inventory category shown on the previous page includes jet fuel use tax. These collections include only the individual classes of transaction privilege tax, severance tax and use tax. The total does not include license fees or any other fees collected by the Department.

### **Transaction Privilege and Severance Tax Taxable Sales By Class<sup>1</sup>**

	<b>February 2000</b>	<b>% Chg</b>	<b>Fiscal Year Total</b>	<b>% Chg</b>
Transporting/Towing	(\$2,372,947)	N/A	\$27,790,398	(46.1)
Non-Metal Mining/Oil & Gas	14,141,957	(17.6)	143,735,216	1.7
Utilities	417,049,328	3.2	3,726,707,652	3.2
Communications	219,378,472	19.6	1,597,316,711	15.1
Railroads/Aircraft	3,891,091	33.0	21,551,603	(20.6)
Private Car/Pipelines	329,290	(76.3)	2,081,512	(82.2)
Publishing	8,351,823	(4.9)	73,968,016	(5.2)
Printing	32,444,295	(3.1)	276,728,711	1.2
Restaurants/Bars	487,907,823	6.9	3,778,281,592	9.6
Amusements	65,713,451	5.2	472,873,499	13.0
Commercial Lease	18,193,136	N/A	487,909,212	N/A
Rental of Personal Property	272,718,002	12.4	2,218,025,647	7.0
Contracting	776,239,903	8.8	7,226,519,295	9.6
Feed Wholesale	(2,405)	(68.2)	(373)	N/A
Retail	2,775,845,334	11.1	23,879,783,276	10.8
Advertising	0	0.0	0	0.0
Mining Severance*	32,641,763	(33.8)	387,099,160	(23.5)
Timber Severance	0	0.0	0	0.0
Hotel/Motel	157,258,015	3.9	1,019,165,490	7.7
Membership Camping	280,297	(37.6)	1,000,900	(15.6)
Use/Use Inventory	262,219,309	22.8	2,257,965,042	16.4
Rental Occupancy Tax	320,918	12.7	1,940,804	(17.5)
<b>Total</b>	<b>\$5,542,548,854</b>	<b>9.8</b>	<b>\$47,600,443,363</b>	<b>10.7</b>

Telecommunications Devices, 911 Excise and 911 Wireless Service classifications previously listed in the collections table, are not elements of calculated taxable income and therefore, are not included in the above table. The Use/Use Inventory category shown above does not include jet fuel use tax. Since the jet fuel use tax is a gallonage tax, this too can not be computed as taxable income. A comparison can be made of gallons of jet fuel on which Arizona jet fuel tax or jet fuel use tax was paid. In February 2000, 35,653,173 gallons of jet fuel were taxed, a 36.0% increase from the 26,209,171 reported for February 1999. Timber Severance includes only sales subject to a repealed rate. The current tax is per board feet upon which taxable income cannot be computed.

### **Accounting Credit**

Effective to taxable periods beginning from and after July 1, 1995, a credit equal to one percent of the amount of tax due, up to \$10,000 per calendar year, is allowed to businesses for expenses incurred during the accounting and reporting of Transaction Privilege Tax. The amount of accounting credits claimed in February 2000 was \$1,724,507 a 27.7% increase from the \$1,349,938 claimed in February 1999. Accounting credits claimed-to-date in FY 99/00 equals \$9,816,438 an 14.2% increase from the \$8,592,887 claimed during the same period in FY 98/99.

<sup>1</sup>These Taxable Sales figures are calculated on a per return basis, by taking collections and dividing them by the appropriate tax rate. These figures may not match other Taxable Sales figures calculated on the aggregate.

\*Beginning with December 1999, the mining severance tax base has changed.

### **Taxable Sales by SIC Code Range**

The taxable sales by SIC (Standard Industrial Classification) Code ranges are an indicator of business occurring for that type of retail sale. Certain limitations must be understood when using this information.

The Department of Revenue assigns a SIC code to a business based on its primary type of business activity. A grocery store would be assigned a SIC code of 5411. A business that deals primarily with dairy products would have a SIC code of 5451. A problem arises with businesses which derive revenue from multiple business activities. For example, a store like Cosco might be considered both a grocery store and a department store; however, all revenue would be reported under only one of the two possible codes. In summary, an accurate description of what this information represents would be: "These figures represent taxable retail sales for those businesses which have a primary SIC code falling within one designated range."

If the taxable sales for these ranges were added together, the total would not equal retail taxable sales. This is again due to the primary SIC code assignment. There are businesses making retail sales which do not have a primary retail SIC code.

<b><u>SIC Code Range</u></b>	<b><u>Description</u></b>	<b><u>February 2000</u></b>	<b><u>February 1999</u></b>	<b><u>% Chg</u></b>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$157,450,107	\$143,596,720	9.6
5311-5399	general merchandise stores	266,728,918	246,197,265	8.3
5411-5499	food stores (no food sales)	226,772,965	220,548,555	2.8
5511-5521	motor vehicle dealers	536,281,245	438,652,735	22.3
5531-5599	misc. automotive, motorcycle & boat stores	143,677,088	125,423,829	14.6
5611-5699	apparel & accessory stores	135,275,798	130,379,577	3.8
5712-5733	furniture, home furnishings & equipment stores	157,384,941	146,718,399	7.3
5912-5949	misc. retail stores	198,244,817	183,936,426	7.8
<b>TOTAL</b>		<b>\$2,775,844,934</b>	<b>\$2,498,014,478</b>	<b>11.1</b>

<b><u>SIC Code Range</u></b>	<b><u>Description</u></b>	<b><u>FY 2000</u></b>	<b><u>FY 1999</u></b>	<b><u>% Chg</u></b>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$1,272,951,609	\$1,151,561,141	10.5
5311-5399	general merchandise stores	2,529,276,618	2,437,432,643	3.8
5411-5499	food stores (no food sales)	1,941,983,905	1,817,711,054	6.8
5511-5521	motor vehicle dealers	4,115,561,251	3,496,000,754	17.7
5531-5599	misc. automotive, motorcycle & boat stores	1,200,895,627	1,101,055,706	9.1
5611-5699	apparel & accessory stores	1,439,243,984	1,397,864,801	3.0
5712-5733	furniture, home furnishings & equipment stores	1,327,752,912	1,196,028,904	11.0
5912-5949	misc. retail stores	1,793,614,554	1,627,008,861	10.2
<b>TOTAL</b>		<b>\$23,879,775,824</b>	<b>\$21,548,208,550</b>	<b>10.8</b>

### **Transaction Privilege and Severance Tax Returned to Counties**

Taxpayers reported the following taxable transactions and tax collections by county. The share of the revenues returned to each county for February 2000 is shown in the County Share column.

	<b>Dist. Base Collections</b>	<b>County Share</b>	<b>% of Total</b>	<b>FYTD County Share</b>	<b>% Chg</b>
Apache	\$145,904	\$295,316	0.8	\$3,726,728	59.5
Cochise	1,253,388	714,305	1.9	6,020,290	10.4
Coconino	1,860,704	946,479	2.5	9,249,860	9.4
Gila	482,873	280,946	0.7	2,616,048	(2.8)
Graham	301,191	183,605	0.5	1,577,922	6.1
Greenlee	725,165	261,062	0.7	2,109,375	(3.2)
La Paz	260,519	121,815	0.3	957,907	4.1
Maricopa	63,260,395	23,997,169	63.8	199,293,679	10.5
Mohave	1,980,864	972,694	2.6	8,461,947	7.3
Navajo	1,185,992	579,245	1.5	5,196,873	9.2
Pima	14,060,417	5,930,354	15.8	49,819,606	9.4
Pinal	1,680,763	911,054	2.4	7,660,208	7.6
Santa Cruz	524,421	246,213	0.7	2,072,966	7.1
Yavapai	2,524,226	1,228,773	3.3	10,693,814	15.6
Yuma	2,119,760	922,234	2.5	7,433,910	9.4
<b>Total</b>	<b>\$92,366,582</b>	<b>\$37,591,262</b>		<b>\$316,891,134</b>	<b>10.4%</b>

### **Transaction Privilege and Severance Tax Returned to Cities/Towns**

The portion of transaction privilege and severance tax returned to each incorporated city or town for February 2000 is shown on Table 3, attached to this report.

### **County Tax Collections**

The following county-imposed tax collections were received by the Department of Revenue during February 2000 and returned to the counties. County taxes in all but Coconino County are imposed at 10% of the state transaction privilege tax rate. Coconino's Excise Tax is 10% of the state rate, and its Jail Tax is 6% of the state rate. The stadium tax was imposed at 5% of the state rate. This rate completed its run in December 1997. Collections received now should be for prior periods. The rental car surcharge in Maricopa County is \$2.50 per car and in Pima County is \$3.50 per car. The RV Surcharge is \$0.50/day on each lease or rental of a parking space for recreational vehicles.

	<b>Road Tax</b>	<b>Excise Tax</b>	<b>Jail Tax</b>	<b>Rental Car Surcharge</b>	<b>Stadium Tax</b>	<b>RV Surcharge</b>	<b>Hospital Tax</b>
Apache		\$47,273					
Cochise		\$379,147					
Coconino		\$553,786	\$324,319				
Gila	\$184,153	\$179,217					
Graham		\$90,537					
Greenlee		\$47,455					
La Paz		\$73,402	\$73,402				
Maricopa	\$19,313,900		\$7,118,998	\$463,781	\$16,209		
Mohave		\$276,777					
Navajo		\$342,031					
Pima				\$117,245		\$36,312	
Pinal	\$522,338	\$488,350					
Santa Cruz		\$150,181					
Yavapai		\$709,579					
Yuma		\$601,423	\$600,784				

## OTHER TAXES

### Luxury Taxes

The following revenues were received from luxury taxes in February 2000. The table compares the receipts to February 1999 and also compares fiscal year (FY) totals. Figures may not add to total due to rounding.

	February 2000	February 1999	% Change
Spirituous	\$1,673,843	\$1,592,609	5.1
Vinous	801,005	487,452	64.3
Malt	1,554,223	1,487,888	4.5
Cigarette	12,231,101	11,188,838	9.3
Other Tobacco	279,883	257,002	8.9
Tobacco	250	350	(28.6)
Licenses			
<b>Total</b>	<b>\$16,540,305</b>	<b>\$15,014,139</b>	<b>10.2</b>

	Fiscal Year Total (99/00)	Fiscal Year Total (98/99)	% Change
Spirituous	\$13,666,693	\$12,982,264	5.3
Vinous	6,292,442	5,342,177	17.8
Malt	13,948,813	13,354,556	4.4
Cigarette*	104,350,384	107,954,287	(3.3)
Other Tobacco	2,440,495	2,298,658	6.2
Tobacco	6,750	6,425	5.1
Licenses			
<b>Total</b>	<b>\$140,705,577</b>	<b>\$141,938,367</b>	<b>(0.9)</b>

\*In July, 1999, \$380,000 of Cigarette and Tobacco tax collections was allocated for administrative expenses and is not reflected in fiscal year collections.

### General Fund revenues from luxury taxes:

	February 2000	FY (99/00)
Spirituous	\$1,171,690	\$9,566,685
Vinous	199,956	1,570,322
Malt	388,556	3,487,202
Cigarette	3,352,026	28,719,300
Other Tobacco	43,382	378,277
Tobacco	250	6,750
Licenses		
<b>Total</b>	<b>\$5,155,860</b>	<b>\$43,728,536</b>

### Other dedicated revenues from luxury taxes:

	February 2000	FY (99/00)
Correction Fund revenues	\$1,974,176	\$16,816,575
Health Care Fund revenues	8,653,191	73,725,117
Wine Promotional Fund revenues	1,182	11,154
Drug Treatment & Education Fund revenues	540,897	4,598,087
Corrections Revolving Fund revenues	214,999	1,826,108



### **Estate Tax**

February 2000	\$3,311,348	Fiscal year To Date	\$46,578,427
February 1999	<u>\$4,417,480</u>	Fiscal year To Date	<u>\$52,444,597</u>
% Change	(25.0%)	% Change	(11.2%)

### **Private Car**

February 2000	\$8,622	Fiscal year To Date	\$1,476,728
February 1999	<u>\$1,969</u>	Fiscal year To Date	<u>\$1,438,255</u>
% Change	337.9%	% Change	2.7%

### **Bingo**

February 2000	\$49,634	Fiscal year To Date	\$454,564
February 1999	<u>\$32,158</u>	Fiscal year To Date	<u>\$485,021</u>
% Change	54.3%	% Change	(6.3%)

### **Unclaimed Property**

February 2000	\$1,212,430	Fiscal year To Date	\$16,550,117
February 1999	<u>\$273,941</u>	Fiscal year To Date	<u>\$11,093,375</u>
% Change	342.6%	% Change	49.2%

Please note that some totals throughout Tax Facts may not add due to rounding.

SOURCE: THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS, ARIZONA DEPARTMENT OF REVENUE



**TABLE 1**  
**“New” Returns Filed in 2000 for Tax Year 1999**  
**Through February 2000**

Federal Adjusted Gross Income Bracket	Number of Returns	% of total	Average FAGI	Average Tax Due	CHARACTERISTICS OF TAXPAYERS					
					% Married Joint	% Single	% Unmarried Head	% Married Separate	% Over 65	% With Dependents
Negative FAGI	33	0.1%	-\$11,197	\$0	28.2%	51.3%	15.4%	5.1%	30.8%	20.5%
<b>\$0-\$5,000</b>	<b>6,223</b>	<b>16.7%</b>	<b>\$3,002</b>	<b>\$0</b>	<b>5.6%</b>	<b>66.1%</b>	<b>27.8%</b>	<b>0.4%</b>	<b>2.9%</b>	<b>36.9%</b>
\$5,000-\$10,000	10,538	28.2%	\$7,511	\$20	8.1%	51.0%	40.3%	0.6%	4.2%	51.6%
<b>\$10,000-\$15,000</b>	<b>7,174</b>	<b>19.2%</b>	<b>\$12,411</b>	<b>\$33</b>	<b>19.0%</b>	<b>19.9%</b>	<b>60.3%</b>	<b>0.8%</b>	<b>5.7%</b>	<b>76.1%</b>
\$15,000-\$20,000	5,167	13.8%	\$17,297	\$90	26.7%	15.6%	56.7%	0.9%	5.6%	78.3%
<b>\$20,000-\$25,000</b>	<b>2,661</b>	<b>7.1%</b>	<b>\$22,283</b>	<b>\$202</b>	<b>33.6%</b>	<b>18.1%</b>	<b>46.8%</b>	<b>1.5%</b>	<b>3.4%</b>	<b>77.4%</b>
\$25,000-\$30,000	1,595	4.3%	\$27,304	\$334	36.4%	22.7%	39.2%	1.7%	3.1%	71.0%
<b>\$30,000-\$40,000</b>	<b>1,679</b>	<b>4.5%</b>	<b>\$34,356</b>	<b>\$513</b>	<b>41.5%</b>	<b>27.1%</b>	<b>28.8%</b>	<b>2.6%</b>	<b>4.2%</b>	<b>62.0%</b>
\$40,000-\$50,000	944	2.5%	\$44,551	\$761	54.4%	22.2%	21.9%	1.5%	3.6%	62.8%
<b>\$50,000-\$75,000</b>	<b>936</b>	<b>2.5%</b>	<b>\$60,026</b>	<b>\$1,157</b>	<b>71.1%</b>	<b>16.4%</b>	<b>11.9%</b>	<b>0.6%</b>	<b>2.6%</b>	<b>58.3%</b>
\$75,000-\$100,000	239	0.6%	\$85,068	\$1,879	78.7%	12.6%	8.4%	0.4%	4.6%	56.5%
<b>\$100,000-\$200,000</b>	<b>111</b>	<b>0.3%</b>	<b>\$127,193</b>	<b>\$3,378</b>	<b>83.8%</b>	<b>11.7%</b>	<b>4.5%</b>	<b>0.0%</b>	<b>5.4%</b>	<b>54.1%</b>
\$200,000-\$500,000	10	0.0%	\$293,225	\$9,232	50.0%	40.0%	10.0%	0.0%	10.0%	30.0%
<b>\$500,000-\$1,000,000</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>
\$1,000,000 and over	*	*	*	*	*	*	*	*	*	*
<b>Total</b>	<b>37,310</b>		<b>\$15,332</b>	<b>\$149</b>	<b>20.4%</b>	<b>36.0%</b>	<b>42.7%</b>	<b>0.9%</b>	<b>4.3%</b>	<b>61.2%</b>

**NEW RETURNS FILED IN 1999 FOR TAX YEAR 1998**

<b>Total</b>	<b>228,194</b>		<b>\$17,402</b>	<b>\$289</b>	<b>18.4%</b>	<b>59.3%</b>	<b>19.8%</b>	<b>2.5%</b>	<b>7.4%</b>	<b>32.4%</b>
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“NEW” Returns means that there was no return filed by the taxpayer in the previous filing year. This may or may not mean the filer is new to the state.

\*Information cannot be released due to confidentiality laws.

**TABLE 2**  
**Urban Revenue Sharing Returned to Cities/Towns**  
**February 2000**

<b>City</b>	<b>Distribution</b>	<b>Population</b>	<b>City</b>	<b>Distribution</b>	<b>Population</b>
<b><u>Apache County</u></b>			Scottsdale	\$1,552,938	168,176
Eagar	\$41,692	4,515	Surprise	99,145	10,737
Springerville	17,729	1,920	Tempe	1,420,383	153,821
St. Johns	31,026	3,360	Tolleson	40,962	4,436
<b><u>Cochise County</u></b>			Wickenburg	44,000	4,765
Benson	\$37,998	4,115	Youngtown	24,876	2,694
Bisbee	60,021	6,500	<b><u>Mohave County</u></b>		
Douglas	136,479	14,780	Bullhead City	\$248,764	26,940
Huachuca City	17,914	1,940	Colorado City	29,456	3,190
Sierra Vista	349,184	37,815	Kingman	154,845	16,769
Tombstone	12,974	1,405	Lake Havasu City	335,056	36,285
Willcox	32,624	3,533	<b><u>Navajo County</u></b>		
<b><u>Coconino County</u></b>			Holbrook	\$46,816	5,070
Flagstaff	\$503,068	54,480	Pinetop-Lakeside	30,481	3,301
Fredonia	11,543	1,250	Show Low	64,527	6,988
Page	73,410	7,950	Snowflake	38,044	4,120
Williams	24,839	2,690	Taylor	24,516	2,655
<b><u>Gila County</u></b>			Winslow	99,543	10,780
Globe	\$65,174	7,058	<b><u>Pima County</u></b>		
Hayden	8,403	910	Marana	\$56,457	6,114
Miami	18,837	2,040	Oro Valley	181,513	19,657
Payson	101,611	11,004	Sahuarita	21,340	2,311
Winkelman	6,242	676	South Tucson	50,344	5,452
<b><u>Graham County</u></b>			Tucson	4,098,263	443,823
Pima	\$17,083	1,850	<b><u>Pinal County</u></b>		
Safford	81,010	8,773	Apache Junction	\$180,294	19,525
Thatcher	36,539	3,957	Casa Grande	192,806	20,880
<b><u>Greenlee County</u></b>			Coolidge	65,146	7,055
Clifton	\$27,656	2,995	Eloy	82,321	8,915
Duncan	6,787	735	Florence	105,175	11,390
<b><u>La Paz County</u></b>			Kearny	22,669	2,455
Parker	\$27,240	2,950	Mammoth	18,099	1,960
Quartzsite	18,514	2,005	Superior	32,181	3,485
<b><u>Maricopa County</u></b>			<b><u>Santa Cruz County</u></b>		
Avondale	\$210,267	22,771	Nogales	\$190,728	20,655
Buckeye	44,850	4,857	Patagonia	8,726	945
Carefree	21,109	2,286	<b><u>Yavapai County</u></b>		
Cave Creek	28,404	3,076	Camp Verde	\$68,932	7,465
Chandler	1,222,213	132,360	Chino Valley	57,971	6,278
El Mirage	53,012	5,741	Clarkdale	24,008	2,600
Fountain Hills	130,624	14,146	Cottonwood	60,437	6,545
Gila Bend	16,132	1,747	Jerome	4,248	460
Gilbert	547,927	59,338	Prescott	287,048	31,086
Glendale	1,686,267	182,615	Prescott Valley	148,141	16,043
Goodyear	85,415	9,250	Sedona	82,127	8,894
Guadalupe	50,399	5,458	<b><u>Yuma County</u></b>		
Litchfield Park	34,526	3,739	San Luis	\$74,112	8,026
Mesa	3,122,173	338,117	Somerton	53,779	5,824
Paradise Valley	114,945	12,448	Wellton	10,397	1,126

Peoria	688,533	74,565	Yuma	579,821	62,792
Phoenix	10,613,719	1,149,417			
Queen Creek	28,367	3,072	<b>TOTAL</b>	\$31,475,916	3,408,697

**TABLE 3**  
**Transaction Privilege and Severance Tax Returned to Cities/Towns**  
**February 2000**

City	Distribution	Population	City	Distribution	Population
<b><u>Apache County</u></b>			Scottsdale	\$1,144,563	168,176
Eagar	\$30,728	4,515	Surprise	73,073	10,737
Springerville	13,067	1,920	Tempe	1,046,867	153,821
St. Johns	22,867	3,360	Tolleson	30,190	4,436
<b><u>Cochise County</u></b>			Wickenburg	32,429	4,765
Benson	\$28,006	4,115	Youngtown	18,335	2,694
Bisbee	44,237	6,500	<b><u>Mohave County</u></b>		
Douglas	100,589	14,780	Bullhead City	\$183,347	26,940
Huachuca City	13,203	1,940	Colorado City	21,710	3,190
Sierra Vista	257,359	37,815	Kingman	114,126	16,769
Tombstone	9,562	1,405	Lake Havasu City	246,947	36,285
Willcox	24,045	3,533	<b><u>Navajo County</u></b>		
<b><u>Coconino County</u></b>			Holbrook	\$34,505	5,070
Flagstaff	\$370,777	54,480	Pinetop/Lakeside	22,466	3,301
Fredonia	8,507	1,250	Show Low	47,559	6,988
Page	54,106	7,950	Snowflake	28,040	4,120
Williams	18,307	2,690	Taylor	18,069	2,655
<b><u>Gila County</u></b>			Winslow	73,366	10,780
Globe	\$48,035	7,058	<b><u>Pima County</u></b>		
Hayden	6,193	910	Marana	\$41,610	6,114
Miami	13,884	2,040	Oro Valley	133,781	19,657
Payson	74,890	11,004	Sahuarita	15,728	2,311
Winkelman	4,601	676	South Tucson	37,105	5,452
<b><u>Graham County</u></b>			Tucson	3,020,547	443,823
Pima	\$12,591	1,850	<b><u>Pinal County</u></b>		
Safford	59,707	8,773	Apache Junction	\$132,882	19,525
Thatcher	26,930	3,957	Casa Grande	142,104	20,880
<b><u>Greenlee County</u></b>			Coolidge	48,015	7,055
Clifton	\$20,383	2,995	Eloy	60,673	8,915
Duncan	5,002	735	Florence	77,517	11,390
<b><u>La Paz County</u></b>			Kearny	16,708	2,455
Parker	\$20,077	2,950	Mammoth	13,339	1,960
Quartzsite	13,646	2,005	Superior	23,718	3,485
<b><u>Maricopa County</u></b>			<b><u>Santa Cruz County</u></b>		
Avondale	\$154,974	22,771	Nogales	\$140,573	20,655
Buckeye	33,056	4,857	Patagonia	6,431	945
Carefree	15,558	2,286	<b><u>Yavapai County</u></b>		
Cave Creek	20,934	3,076	Camp Verde	\$50,805	7,465
Chandler	900,809	132,360	Chino Valley	42,726	6,278
El Mirage	39,072	5,741	Clarkdale	17,695	2,600
Fountain Hills	96,274	14,146	Cottonwood	44,544	6,545
Gila Bend	11,890	1,747	Jerome	3,131	460
Gilbert	403,839	59,338	Prescott	211,563	31,086
Glendale	1,242,831	182,615	Prescott Valley	109,185	16,043
Goodyear	62,953	9,250	Sedona	60,530	8,894
Guadalupe	37,146	5,458	<b><u>Yuma County</u></b>		
Litchfield Park	25,447	3,739	San Luis	\$54,623	8,026
Mesa	2,301,139	338,117	Somerton	39,637	5,824
Paradise Valley	84,718	12,448	Wellton	7,663	1,126
Peoria	507,470	74,565	Yuma	427,346	62,792

Phoenix	7,822,641	1,149,417		
Queen Creek	20,907	3,072	<b>TOTAL</b>	\$23,198,727 3,408,697

*The Office of Economic Research & Analysis  
Arizona Department of Revenue  
1600 W. Monroe  
Phoenix, AZ 85007*